

DEEMERCPA & CONSULTING
SERVICES, LLCBRENDEN W. DEEMER, CPA
brendendeemer@aol.com**JEFFERSON YOUTH FOUNDATION, INC.****Independent Auditor's Report and Financial Statements
For the Fiscal Year Ended June 30, 2010****Deemer CPA and Consulting Services, LLC**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 3/23/11

Jefferson Youth Foundation, Inc.
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CPA & CONSULTING
SERVICES, LLC

BRENDEL W. DEEMER, CPA
brendeldeemer@aol.com

Independent Auditor's Report

To the Board of Directors of Jefferson Youth Foundation, Inc.:

I have audited the accompanying statement of financial position of Jefferson Youth Foundation, Inc. (a nonprofit organization) as of June 30, 2010, and the related statements of activities and cash flows for the fiscal year then ended. These financial statements are the responsibility of Jefferson Youth Foundation, Inc. management. My responsibility is to express an opinion of these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jefferson Youth Foundation, Inc. and the results of operations and its cash flows for the fiscal year then ended June 30, 2010, in conformity with generally accepted accounting principles.

The accompanying financial statements have been prepared assuming that the Organization will continue as a going concern. As discussed in note 5 to the financial statements, the Organization has suffered a significant reduction in grant revenues which raises substantial doubt about its ability to continue as a going concern. Management's plans regarding these matters also are described in note 5. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

In accordance with *Government Auditing Standards*, I have also issued my report dated December 22, 2010, on my consideration of Jefferson Youth Foundation's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on

the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of my audit.

My audit was performed for the purpose of forming an opinion on the financial statements of Jefferson Youth Foundation, Inc. taken as a whole. The schedule of functional expenses is presented on page 9 for purposes of additional analysis and is not a required part of the financial statements of the organization. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Deemer CPA and Consulting Services, LLC

New Orleans, Louisiana
December 22, 2010

Jefferson Youth Foundation, Inc.
Statement of Financial Position
As of June 30, 2010

Assets

Cash	\$ 22,882
Prepaid Expenses	875
Grant Receivable	<u>123,777</u>
Total Assets	\$ <u>147,334</u>

Liabilities and Net Assets

Accounts Payable	\$ 43,910
Accrued Salaries & Benefits	38,306
Payroll Tax Liabilities	<u>2,545</u>
Total Liabilities	84,761

Net Assets

Unrestricted	<u>62,573</u>
Total Net Assets	<u>62,573</u>
Total Liabilities and Net Assets	\$ <u>147,334</u>

The accompanying notes are an integral part of these financial statements

Jefferson Youth Foundation, Inc.
Statement of Activities
For the Fiscal Year Ended June 30, 2010

	<u>Unrestricted</u>
Revenues	
Grant revenue	\$ 212,802
In-kind Donations	26,481
Other	560
Interest	12
Registration fees	<u>9,542</u>
Total revenues	<u>249,397</u>
Expenses	
Program Services	\$ 296,389
Support Services	<u>61,922</u>
Total Expenses	<u>358,311</u>
Change In Net Assets	\$ (108,914)
Net Assets At Beginning Of Year	<u>171,487</u>
Net Assets At End Of Year	<u>\$ 62,573</u>

The accompanying notes are an integral part of these financial statements.

**Jefferson Youth Foundation, Inc.
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2010**

Cash Flows From Operating Activities:

Changes in Net Assets	\$ (108,914)
Adjustments to Reconcile Net Revenues over Expenditures to Net Cash Provided by Operating Activities	
Changes in Operating Assets and Liabilities	
Grant Receivable	25,934
Prepaid Expenses	326
Accounts Payable	41,810
Accrued Salaries and Benefits	(2,612)
Payroll Tax Liabilities	(315)
	<u> </u>
Net Cash Provided/(Used) by Operating Activities	(43,771)

Cash Flows From Investing Activities:

Net Cash Provided by Investing Activities	0
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Cash Flows From Financing Activities:

Net Cash Provided by Financing Activities	0
Net Cash Decrease for Period	(43,771)
Cash, At Beginning of Period July 1, 2009	<u>66,453</u>
Cash, At End of Period June 30, 2010	<u>\$ 22,682</u>

The accompanying notes are an integral part of these financial statements.

Jefferson Youth Foundation, Inc.
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2010

1. Summary of Significant Accounting Principles

General - Jefferson Youth Foundation, Inc. is a non-profit agency with a mission to provide students with educational, tutorial, cultural and health activities. The agency is committed to assisting local educational institutions in increasing overall academic performance for its program participants. The services are provided through the Advent Program, which is an after school program and summer camp.

Basis of Accounting - Jefferson Youth Foundation, Inc.'s financial statements are prepared on the accrual basis of accounting, whereby revenue is recorded when earned and expenses are recorded when incurred.

Property and Equipment - Improvements which significantly extend the useful life of an asset and purchases of equipment are capitalized. The straight line method of depreciation is used for the assets owned by Jefferson Youth Foundation, Inc. The estimated useful lives of these assets range from 3 to 40 years.

Income Taxes - Jefferson Youth Foundation, Inc. has been determined to be tax exempt under Section 501 (c) 3 of the Internal Revenue Code. Therefore, no provision for income taxes is made in the accompanying financial statements.

Cash - Cash is comprised of cash on hand and in banks.

2. Net Assets

A description of the three types of Net Assets categories is described below:

Unrestricted net assets are comprised of funds without donor-imposed restrictions. The revenues received by Jefferson Youth Foundation, Inc. and expenses incurred are included in this category.

Temporarily restricted net assets include income, gifts, and contributions which have temporary restrictions that have not been met.

Permanently restricted net assets include income, gifts, and contributions which have donor-imposed restrictions to be invested in perpetuity and only the income from those investments can be made available for program operations.

As of June 30, 2010, Jefferson Youth Foundation, Inc. had unrestricted net assets, however there were no temporarily or permanently restricted net assets.

3. Grants Receivable

As of June 30, 2010 grants receivable consists of the following:

21 st Century CCLC	\$ 101,869
The Louisiana Children's Trust Fund – Positive	
Alternatives Parent Support Program	5,929
Governor's Safe and Drug Free	<u>15,979</u>
Total Grants Receivable	\$ <u>123,777</u>

4. Grant Revenue

Grant revenue consists of the following for the fiscal year of July 1, 2009 through June 30, 2010:

Governor's Safe and Drug Free	\$ 15,979
The Louisiana Children's Trust Fund – Positive	12,610
Arts Council of New Orleans	6,325
21 st Century CCLC	172,888
Various Private Foundations	<u>5,000</u>
Total Grant Revenue	\$ <u>212,802</u>

5. Going Concern Update

Jefferson Youth Foundation, Inc. receives its funding from federal, state, and local grants. The continuance of this program is dependent upon the agency's ability to gain renewal of contracts and grants as well as to obtain new funding. The agency was informed by the State of Louisiana in 2009 that they would not receive a \$370,000 grant that had been previously used to run its programs. However, management was able to secure this funding in 2010 and has a signed contract agreement for \$350,000 from this funding source.

6. In-Kind Donations

Jefferson Youth Foundation, Inc. is housed at Ames Elementary School which is the property of the Jefferson Parish Public School System. The School System provides the space rent-free for the purpose of operating the program. The value of occupying this space is estimated at \$26,481. The In-Kind Donation is recorded as revenue and has a corresponding expense.

SUPPLEMENTAL INFORMATION

Jefferson Youth Foundation, Inc.
Schedule of Functional Expenses
For the Fiscal Year Ended June 30, 2010

	Program Services	Support Services	Total
Salaries	\$ 167,463	\$ 48,804	\$ 216,267
Payroll Taxes	12,811	4,099	16,910
Contractual Services	38,930	7,500	46,430
Telephone	2,238	0	2,238
Printing & Binding	680	799	1,479
Supplies	23,063	0	23,063
Insurance	6,234	0	6,234
Travel	362	374	736
Workshops	8,080	250	8,330
Field Trips	8,247	0	8,247
In-Kind Donations -Rent	26,481	0	26,481
Miscellaneous	1,800	96	1,896
	<u> </u>	<u> </u>	<u> </u>
Total Expenses	\$ 296,389	\$ 61,922	\$ 358,311
	<u> </u>	<u> </u>	<u> </u>

See Independent Auditor's Report.



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**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Trustees of
Jefferson Youth Foundation, Inc.

I have audited the financial statements of Jefferson Youth Foundation, Inc. (a nonprofit organization) as of and for the year ended June 30, 2010, and have issued my report thereon dated December 22, 2010. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing my audit, I considered Jefferson Youth Foundation, Inc.'s internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Jefferson Youth Foundation's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Jefferson Youth Foundation's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

I noted certain matters that I reported to management of Jefferson Youth Foundation, Inc. in a separate letter dated December 22, 2010.

This report is intended solely for the information and use of management, State of Louisiana Legislative Auditor, Board of Trustees, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Deemer CPA and Consulting Services, LLC

New Orleans, Louisiana
December 22, 2010

Jefferson Youth Foundation, Inc.
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2010

There are no current year findings or questioned costs.

Jefferson Youth Foundation, Inc.
Status of Prior Year Findings
For the Fiscal Year Ended June 30, 2010

There were no prior year findings and/or questioned costs.